

SENATE BILL REPORT

SB 5323

As of January 26, 2007

Title: An act relating to social security number privacy.

Brief Description: Strengthening social security number privacy.

Sponsors: Senators Morton, Honeyford and Kohl-Welles.

Brief History:

Committee Activity: Consumer Protection & Housing: 1/26/07.

SENATE COMMITTEE ON CONSUMER PROTECTION & HOUSING

Staff: Vanessa Firnhaber-Baker (786-7471)

Background: Some organizations and businesses use social security numbers as unique identifiers for customers or as a means to organize data. There are no regulations that prohibit or limit private businesses from requesting social security numbers.

Summary of Bill: The bill as referred to committee not considered.

EFFECT OF PROPOSED SUBSTITUTE (Consumer Protection & Housing): Before requesting an individual's social security number, the requesting organization or business must disclose that the request is not mandatory and that the individual will not be penalized for failing to provide his or her social security number. Unless an organization has been granted specific authority under state or federal law to possess social security numbers, the organization must purge those social security numbers from their files within 120 days of the act becoming effective. This bill applies only to private entities and does not affect government agencies.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Businesses are requiring consumers to hand over their social security numbers in order to do business; this increases the risk of identity theft.

CON: The IRS and other federal government agencies require banks to collect social security numbers for various reasons. Wireless phone service providers need customers' social security

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

numbers in order to determine a customer's credit worthiness. Wireless service providers need to keep customers' social security numbers on file because these numbers are used to locate customers with past due accounts. Businesses may also need consumers to provide their social security numbers to verify the consumer's identity and prevent fraud.

OTHER: Title companies need to collect social security numbers in order to send the information on to the IRS; however, title companies are willing to disclose to clients why they need the client's social security number.

Persons Testifying: PRO: Senator Morton, prime sponsor.

CON: Denny Eliason, Washington Bankers Association; Cliff Webster, Verizon Wireless; Steve Gano, Cingular Wireless.

OTHER: Stu Halsan, Washington Land Title Association.